Grain Transportation Report

A weekly publication of the
Transportation and Marketing Programs/Transportation Services Branch
www.ams.usda.gov/tmdtsb/grain

Contact Us

December 7, 2006

Contents

The next release is December 14, '06

Weekly Highlights

Ocean Spread Widens as Gulf Rate Pushes Past $50

As of December 5, the cost of shipping grains from the U.S. Gulf to Japan was $52.14 per metric ton (mt). From the Pacific Northwest (PNW) to Japan, grain shipping cost was $41.62 per mt, resulting in a spread of $10.53 per mt. Although Gulf and PNW rates increased by 5 and 1 percent, respectively, compared to a week earlier, the spread increased 20 percent. Increased vessel activity in the Gulf has caused the Gulf rate to rise at a faster pace than the PNW rate.

Weekly Inspections Rebound from Previous Week

For the week ending November 30, total inspections of corn, wheat, and soybeans at major U.S. ports increased 30 percent from the previous week to 2.34 million mt. PNW inspections increased 76 percent to 648,000 mt. Mississippi Gulf inspections increased 20 percent to 1.24 million mt, and Texas Gulf grain inspections increased 26 percent to 235,000 mt.

Four out of Five Barges Moving Upriver through L&D 27 Empty

During the week ending December 2, over 400 empty barges passed through Mississippi River Locks and Dam 27 (L&D 27) representing 79 percent of barges moved upriver. The number of empty barges was 24 percent higher than last week and 49 percent higher than the same week in 2005.

St. Louis Gage Reaches Positive Levels

For most of November, the St. Louis gage was in the negative range. However, runoff from winter precipitation that hammered portions of the Midwest raised river levels above negative. During the week of December 3, the St. Louis gage was reported to be in the +4 to +5 feet range.

Snapshot by Sector

Fuel

For the week ending December 2, average U.S. **diesel fuel prices** increased for the third consecutive week. Prices averaged $2.62 per gallon—$0.19 or 8 percent, higher than the same week in 2005.

Ocean

Forty-seven **grain vessels** were loaded in the U.S. Gulf during the week ending November 30, about 15 percent more than a year ago.

Barge

Barge grain movements were 835,000 tons for the week ending December 2, a decrease of 21 percent from the previous week and 16 percent below the 4-year average.

RAIL UPDATE

CN Cuts Fuel Surcharge Rate

Canadian National (CN) announced a fuel surcharge cut that will take effect January 1, 2007. For each $1.00/barrel that the monthly average price of West Texas Intermediate crude oil is above $25, the surcharge will be 0.23 percent of the tariff rate instead of 0.25 percent. Using the new calculations, CN's new fuel surcharge will be reduced 8 percent compared to the previous surcharge.

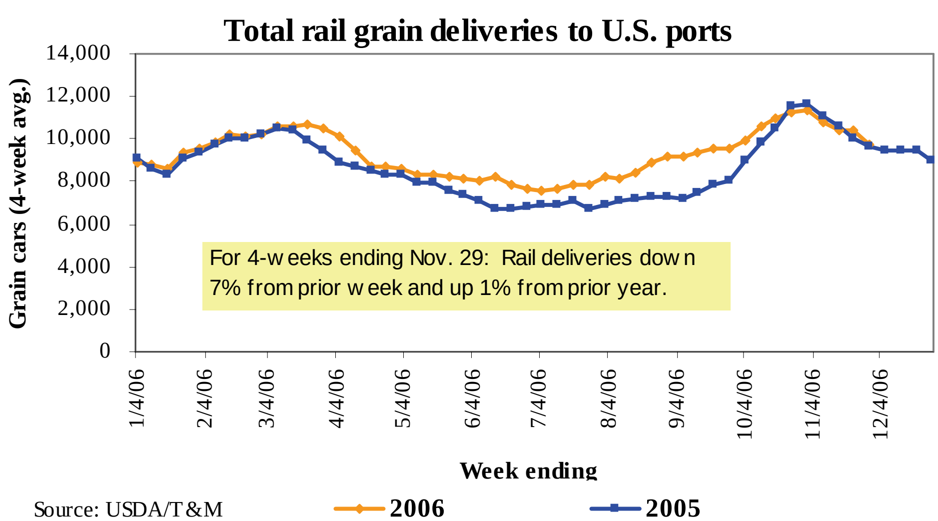
Rail Service Improves on U.S. Railroads

Argus Rail Business' on-time delivery index for grain delivered during September, October, and November (average of all major railroads) improved to 3.6 on a scale of 1 to 5, with 5 being the best. This compares to a 3.4 rating during the previous two 3-month periods and a 3.0 rating for the same period last year (which was affected by major hurricanes and flooding). Railroad investments in capacity and improved railroad operating systems have resulted in improved train speeds and terminal dwell times. This has contributed to the improved ratings as well as slower intermodal traffic growth, a decrease in automotive and forest product shipments, and the increased use of shuttle car programs.

On-time Delivery: Grain	BNSF	CN	CP	CSX	KCS	NS	UP
Rating	4.3	3.5	3.0	3.7	3.7	3.5	3.9

Grain Rail Deliveries to Port Slowing Seasonally

Total grain rail deliveries to U.S. ports are slowing as the end of the year approaches, but this is a normal seasonal pattern. For the 4-weeks ending November 29, rail deliveries are down 7 percent from the prior week and up 1 percent from last year (see figure below). Rail deliveries to the PNW and Mississippi Gulf are following the same seasonal pattern, but rail deliveries to the Texas Gulf are still on an upward trend



Rising Ethanol Production Creates Demand for More Rail Tank Cars. U.S. ethanol production from January to September totaled over 3.5 billion gallons—24 percent higher than the same period last year. At the current growth rate, the 2006 ethanol production could surpass 4.8 billion gallons—more than fulfilling the 2005 Energy Act Renewable Fuel Standard of 4.0 billion gallons for 2006. Ethanol stocks are also growing. September stocks were reported to be 408.5 million gallons—83 percent higher than September 2005 stocks.

The sharp increase in ethanol production, as well as the expected growth in ethanol plant construction, contributed to the dramatic increase in new orders for rail tank cars. In the first three quarters of 2006, new tank car orders totaled 30,084—almost 200 percent above the same period last year (see table 1). Although the three major manufacturers—Trinity, Union Tank Car, and American Railcar Industries—report an increase in production, the backlog in tank car deliveries at the end of the third quarter in 2006 is reported to be 244 percent greater than the same period in 2005 (see table 1). While ethanol tank cars* are easier to build than some of the specialized tank cars, industry experts believe that an order placed now (December 2006) may not be delivered until 2009—about 2 to 2½ years. Additionally, as opposed to grain cars, railroads generally do not provide tank cars—shippers must either own or lease the tank cars. The supply of railcars is an important factor in the efficiency of ethanol distribution since the railroads are the primary mode of transportation, especially in long-distance hauls.

Table 1: Rail Tank Cars: Report of Orders, Deliveries, and Backglog

	2006					
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	YTD	Change from YTD 2005
Orders	10,005	7,955	12,093		30,084	197%
Deliveries	3,344	3,160	3,508		10,017	18%
Backlog	20,702	25,564	34,148		34,148	244%

	2005				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	2005
Orders	4,420	3,731	1,978	7,124	17,271
Deliveries	2,617	2,919	2,965	3,033	11,563
Backlog	10,111	10,923	9,936	14,041	14,041

Source: Rail Supply Institute (RSI) Quarterly Reports (the sum of quarterly data may not equal annual total due to adjustments).

Table 2: Rail Transportation of Ethanol

	U.S. Ethanol Production [1] bill. gallons	Carloads [2]	Tons (000) [2]	Carloads in bill. gallons [3]	Rail Share
1995	1.35	31,724	2,923	0.89	66%
2000	1.63	39,764	3,716	1.13	69%
2001	1.76	43,244	3,936	1.20	68%
2002	2.14	48,668	4,512	1.37	64%
2003	2.80	58,324	5,442	1.65	59%
2004	3.40	68,960	6,438	1.96	58%
2005	3.90	82,483	7,729	2.35	60%

[1] Source: DOE, Energy Information Administration
[2] Source: AAR, Rail Transportation of Grain, August 2006 (STCC 2818445 and 2818446)
[3] 1 ton = 2,000 lbs., 1 ethanol gallon = 6.58 lbs.

In 2005, Class I railroads moved about 60 percent of U.S. ethanol production—down from the 69 percent share in 2000 (see table 2). Class I railroads moved 82,483 carloads (almost 2.4 billion gallons) in 2005, an increase of 20 percent from the previous year and more than double the ethanol traffic in 2000.
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*T108 tank car is primarily used for ethanol, gasoline, diesel fuel, and other chemicals. It carries 30,000 gallons (less 2% outage = 29,400 gallons). In 2005, the T108 fleet amounted to 31,000 cars and was part of the total U.S. tank car fleet of 268,919 cars.

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

Week ending	Truck	Rail[2]	Barge	Ocean Gulf	Ocean Pacific
12/06/06	176	45	209	233	295
11/29/06	172	14	247	223	291

[1]Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = nearby secondary rail market ($/car); barge = spot Illinois River basis (index = percent of tariff rate); and ocean = routes to Japan ($/metric ton)

[2]The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.

Source: Transportation & Marketing Programs/AMS/USDA

Table 2

Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

Commodity	Origin--Destination	12/1/2006	11/24/2006
Corn	IL--Gulf	n/a	-0.75
Corn	NE--Gulf	-0.84	-0.82
Soybean	IA--Gulf	-1.15	-1.08
HRW	KS--Gulf	-1.08	n/a
HRS	ND--Portland	-1.16	n/a

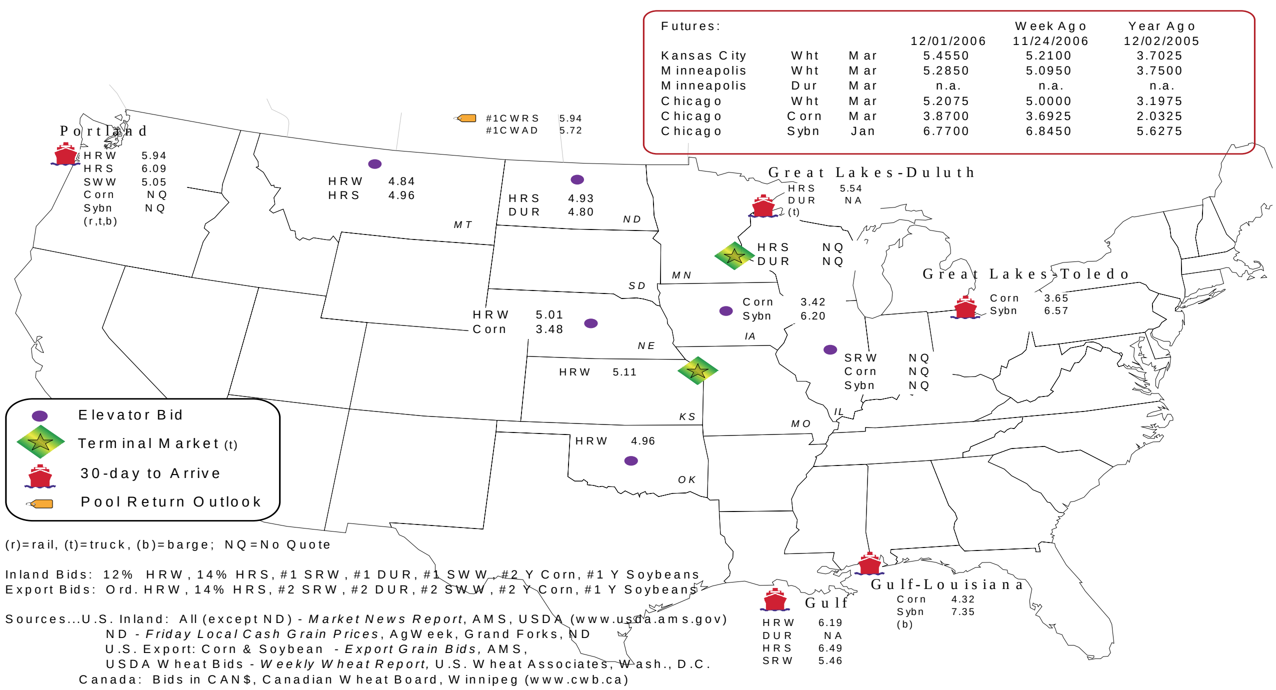
Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1

Grain bid summary



Rail Transportation

Table 3
Rail Deliveries to Port (carloads)[1]

Week ending	Mississippi Gulf [2]	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
11/29/2006[p]	1,674	2,103	454	2,843	828	7,902
11/22/2006[r]	2,053	1,973	393	5,456	468	10,343
2006 YTD	88,362	92,371	41,956	196,323	26,947	445,959
2005 YTD	45,570	91,939	55,998	206,783	14,409	414,699
2006 YTD as % of 2005 YTD	194	100	75	95	187	108
Last 4 weeks as % of 2005 [3]	171	87	68	90	137	101
Last 4 weeks as % of 4-year avg.[3]	n/a	107	58	93	136	n/a
Total 2005	50,696	99,079	61,151	224,079	15,690	450,695
Total 2004	41,957	93,500	58,843	208,334	10,957	407,143

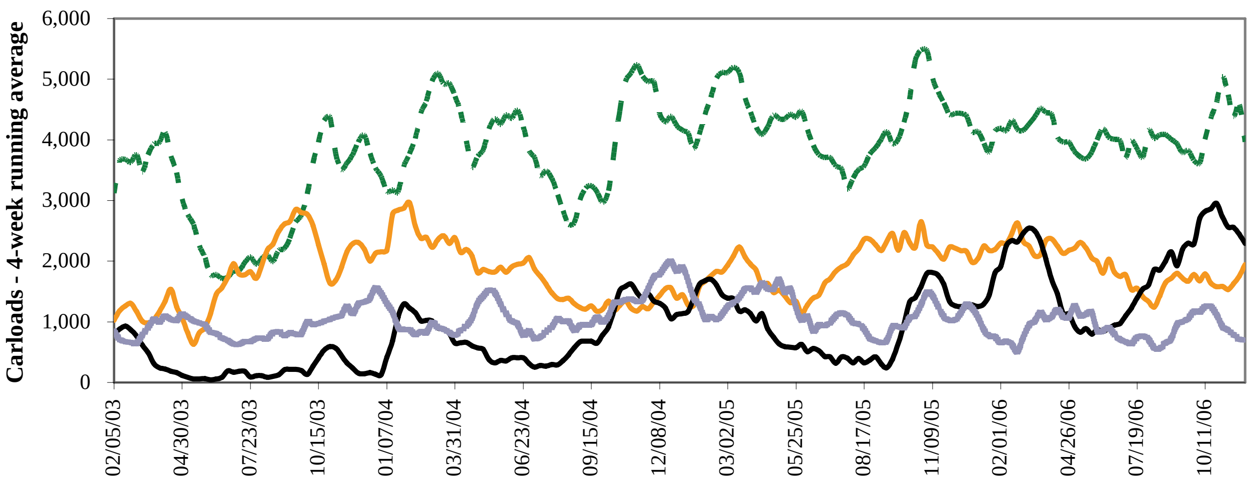
[1] Data is incomplete as it is voluntarily provided; [2] Mississippi Gulf data back to January, 2004 from several new sources has been added resulting in large increases in the numbers reported; [3] Compared with same 4-weeks in 2005 and prior 4-year average; [4] Includes 53rd week.

YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 33 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2
Rail Deliveries to Port



Pacific Northwest: 4 Wks. ending 11/29-- down 10% from same period last year; down 7% from 4-year average
Texas Gulf: 11/29 -- down 13% from same period last year; up 7% from 4-year average
Miss. River: 11/29 -- up 71% from same period last year; 4-year average not available
Cross-border Mexico: 11/29 -- down 32% from same period last year; down 42% from 4-year average

Source: Transportation & Marketing Programs/AMS/USDA

Table 4

Class I Rail Carrier Grain Car Bulletin (grain carloads originated)

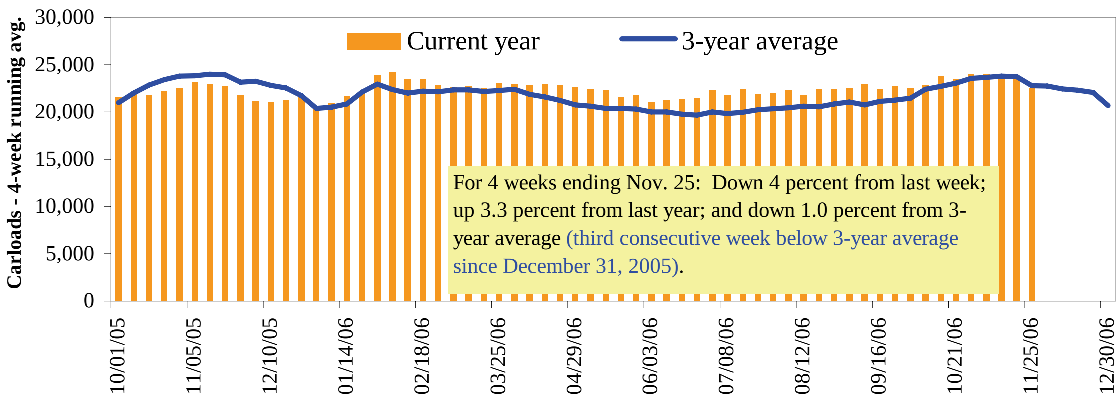
	East		West			U.S. total	Canada	
Week ending	**CSXT**	**NS**	**BNSF**	**KCS**	**UP**		**CN**	**CP**
11/25/06	2,878	3,196	8,880	343	4,788	20,085	4,610	5,218
This week last year	2,192	2,665	9,213	561	4,582	19,213	5,407	4,882
2006 YTD	148,153	152,899	463,558	25,934	273,533	1,064,077	232,724	215,209
2005 YTD	137,406	152,215	429,685	25,199	281,716	1,026,221	202,995	192,102
2006 YTD as % of 2005 YTD	108	100	108	103	97	104	115	112
Last 4 weeks as % of 2005[1]	117	101	104	110	96	103	101	123
Last 4 weeks as % of 3-yr avg.[1]	114	92	102	82	92	99	106	122
Total 2005	152,060	167,465	476,033	27,459	307,170	1,130,187	225,817	215,145

[1]As a percent of the same period in 2005 and the prior 3-year average. YTD = year-to-date.

Source: Association of American Railroads (www.aar.org)

Figure 3

Total Weekly U.S. Class I Railroad Grain Car Loadings



Source: Association of American Railroads

Table 5

Rail Car Auction Offerings[1] ($/car)[2]

Week ending	**Delivery period**							
12/2/2006	**Jan-07**	**Jan-06**	**Feb-07**	**Feb-06**	**Mar-07**	**Mar-06**	**Apr-07**	**Apr-06**
BNSF[3]								
COT grain units	no bid	no offer	no bid	no offer	no bids	145	no bid	n/a
COT grain single-car[5]	0	n/a	0 . . 1	n/a	0 . . 1	n/a	no offer	n/a
UP[4]								
GCAS/Region 1	no bid	no offer	no bid	101	no offer	no offer	no offer	n/a
GCAS/Region 2	no bid	no offer	no bid	126	no offer	no offer	no offer	n/a

[1]Auction offerings are for single-car and unit train shipments only.

[2]Average premium/discount to tariff, last auction

[3]BNSF - COT = Certificate of Transportation; N. grain and S. grain bids were combined effective the week ending 6/24/06.

[4]UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

[5]Range is shown because average is not available. Not available = n/a.

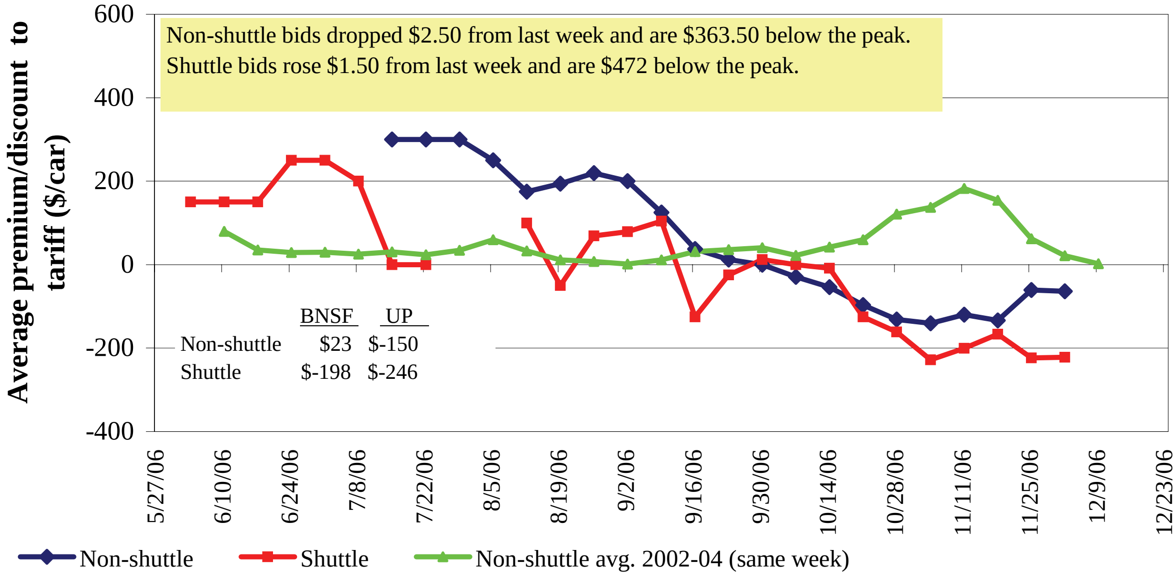
Source: Transportation & Marketing Programs/AMS/USDA. n/a = not applicable

Rail service may be ordered directly from the railroad via **auction** for guaranteed service, or via tariff for nonguaranteed service, or through the secondary railcar market.

The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/supply.

Figure 4

Bids/Offers for Railcars to be Delivered in December 2006, Secondary Market



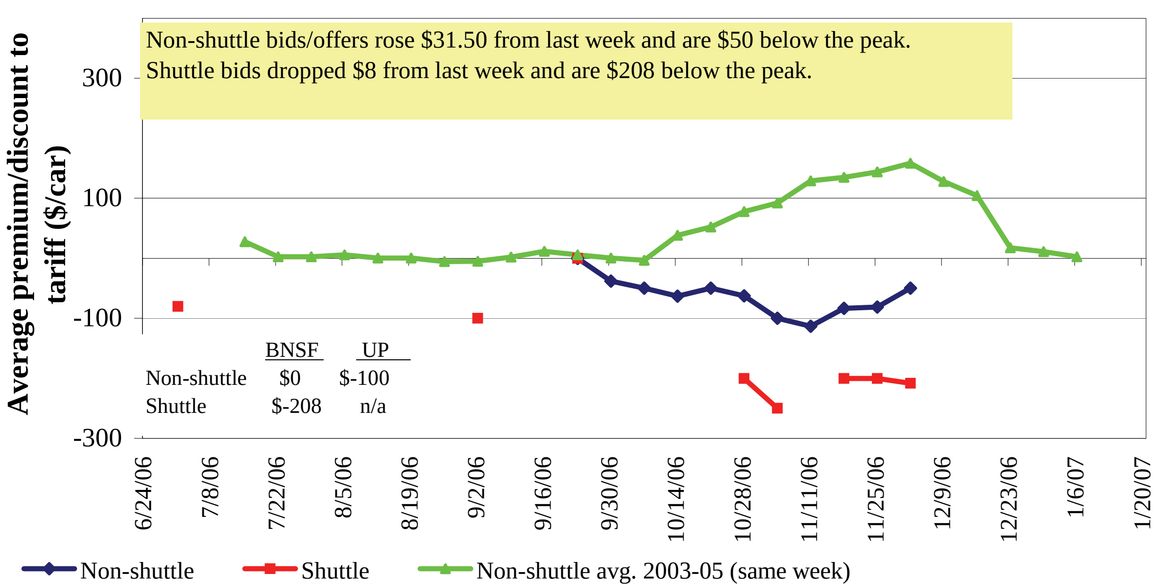
Non-shuttle bids include unit-train and single-car bids.

Excluded 2005 from the 3-year non-shuttle average due to abnormally high rates following Hurricanes Katrina and Rita.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in January 2007, Secondary Market



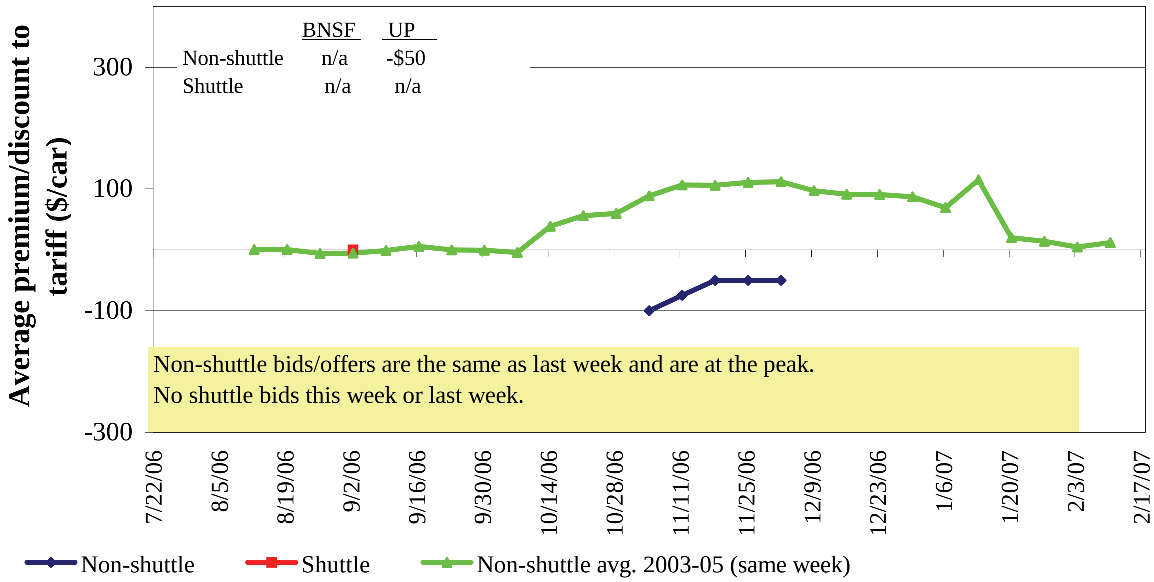
Non-shuttle bids include unit-train and single-car bids.

Excluded 2005 from the 3-year non-shuttle average due to abnormally high rates following Hurricanes Katrina and Rita.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in February 2007, Secondary Market



Non-shuttle bids include unit-train and single-car bids.

Excluded 2006 from the 3-year non-shuttle average due to abnormally high rates following Hurricanes Katrina and Rita.

Source: Transportation & Marketing Programs/AMS/USDA

Table 6

Weekly Secondary Rail Car Market ($/car)[1]

Week ending	Delivery period					
12/2/2006	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07
Non-shuttle						
BNSF-GF	23	0	n/a	n/a	n/a	n/a
Change from last week	20	38	n/a	n/a	n/a	n/a
Change from same week 2005	n/a	-175	n/a	n/a	n/a	n/a
UP-Pool	-150	-100	-50	-50	n/a	n/a
Change from last week	-25	25	0	0	n/a	n/a
Change from same week 2005	n/a	-292	-204	-179	n/a	n/a
Shuttle[2]						
BNSF-GF	-198	-208	n/a	-300	n/a	n/a
Change from last week	27	-8	n/a	n/a	n/a	n/a
Change from same week 2005	n/a	n/a	n/a	n/a	n/a	n/a
UP-Pool	-246	n/a	n/a	n/a	n/a	n/a
Change from last week	-24	n/a	n/a	n/a	n/a	n/a
Change from same week 2005	n/a	n/a	n/a	n/a	n/a	n/a

[1]Average premium/discount to tariff, $/car-last week

[2]Shuttle bids are a new data series; prior to this we provided only non-shuttle rates.

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,
Missing value = n/a; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments[1]

Effective date: 12/4/2006	**Origin region**	**Destination region**	**Rate/car**	**As % of same month last year**	**Rate per metric ton**	**Rate per bushel**[2]
Unit train[1]						
Wheat	Chicago, IL	Albany, NY	$2,175	117	$23.97	$0.65
	Kansas City, MO	Galveston, TX	$2,120	105	$23.37	$0.64
	South Central, KS	Galveston, TX	$2,650	108	$29.21	$0.80
	Minneapolis, MN	Houston, TX	$3,020	125	$33.29	$0.91
	St. Louis, MO	Houston, TX	$2,560	108	$28.22	$0.77
	South Central, ND	Houston, TX	$4,549	110	$50.14	$1.36
	Minneapolis, MN	Portland, OR	$3,840	100	$42.33	$1.15
	South Central, ND	Portland, OR	$3,840	100	$42.33	$1.15
	Northwest, KS	Portland, OR	$4,590	102	$50.60	$1.38
	Chicago, IL	Richmond, VA	$2,383	110	$26.27	$0.71
Corn	Chicago, IL	Baton Rouge, LA	$2,810	108	$30.97	$0.79
	Council Bluffs, IA	Baton Rouge, LA	$2,670	108	$29.43	$0.75
	Kansas City, MO	Dalhart, TX	$2,904	148	$32.01	$0.81
	Minneapolis, MN	Portland, OR	$3,250	104	$35.82	$0.91
	Evansville, IN	Raleigh, NC	$2,231	114	$24.59	$0.62
	Columbus, OH	Raleigh, NC	$2,120	115	$23.37	$0.59
	Council Bluffs, IA	Stockton, CA	$5,060	140	$55.78	$1.42
Soybeans	Chicago, IL	Baton Rouge, LA	$2,855	108	$31.47	$0.86
	Council Bluffs, IA	Baton Rouge, LA	$2,715	108	$29.93	$0.81
	Minneapolis, MN	Portland, OR	$3,960	110	$43.65	$1.19
	Evansville, IN	Raleigh, NC	$2,231	114	$24.59	$0.67
	Chicago, IL	Raleigh, NC	$2,831	111	$31.21	$0.85
Shuttle Train						
Wheat	St. Louis, MO	Houston, TX	$1,920	105	$21.16	$0.58
	Minneapolis, MN	Portland, OR	$3,540	97	$39.02	$1.06
Corn	Fremont, NE	Houston, TX	$2,268	98	$25.00	$0.64
	Minneapolis, MN	Portland, OR	$3,168	105	$34.92	$0.89
Soybeans	Council Bluffs, IA	Houston, TX	$2,412	100	$26.59	$0.72
	Minneapolis, MN	Portland, OR	$3,303	104	$36.41	$0.99

[1]A unit train refers to shipments of at least 52 cars. Shuttle train rates are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

[2]Approximate load per car = 100 short tons: corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

Table 8

Tariff Rail Rates for U.S. Bulk Grain Shipments to U.S.-Mexico Border Crossings

Effective date:	12/04/06				**As % of**		
Commodity	**Origin state**	**Border crossing region**	**Train size**[1]	**Tariff rate**[2]	**same month last year**	**Rate per metric ton**	**Rate per bushel**[3]
Wheat	KS	Brownsville, TX	Shuttle	$2,959	104	$30.23	$0.82
	ND	Eagle Pass, TX	Unit	$4,474	112	$45.71	$1.24
	OK	El Paso, TX	Shuttle	$2,235	100	$22.84	$0.62
	OK	El Paso, TX	Unit	$2,540	104	$25.95	$0.71
	AR	Laredo, TX	Unit	$2,600	109	$26.57	$0.72
	IL	Laredo, TX	Unit	$3,405	107	$34.79	$0.95
	MT	Laredo, TX	Shuttle	$3,980	93	$40.67	$1.11
	TX	Laredo, TX	Shuttle	$2,274	105	$23.23	$0.63
	MO	Laredo, TX	Shuttle	$2,840	104	$29.02	$0.79
	WI	Laredo, TX	Unit	$3,623	106	$37.02	$1.01
Corn	NE	Brownsville, TX	Shuttle	$3,761	117	$38.43	$0.98
	NE	Brownsville, TX	Unit	$4,001\[4]	110	$40.88	$1.04
	IA	Eagle Pass, TX	Unit	$3,991	116	$40.78	$1.03
	MO	Eagle Pass, TX	Shuttle	$3,850\[4]	127	$39.34	$1.00
	NE	Eagle Pass, TX	Shuttle	$4,250\[4]	118	$41.52	$1.05
	IA	Laredo, TX	Shuttle	$3,915	116	$40.00	$1.02
Soybean	IA	Brownsville, TX	Shuttle	$3,537	118	$36.14	$0.98
	MN	Brownsville, TX	Shuttle	$3,718	123	$37.99	$1.03
	NE	Brownsville, TX	Shuttle	$3,345	120	$34.18	$0.93
	NE	Eagle Pass, TX	Shuttle	$3,422	119	$34.96	$0.95
	IA	Laredo, TX	Unit	$3,575	118	$36.53	$0.99

[1]A unit train refers to shipments of at least 52 cars. Shuttle train are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

[2]Rates are based upon published tariff rates for high-capacity rail cars.

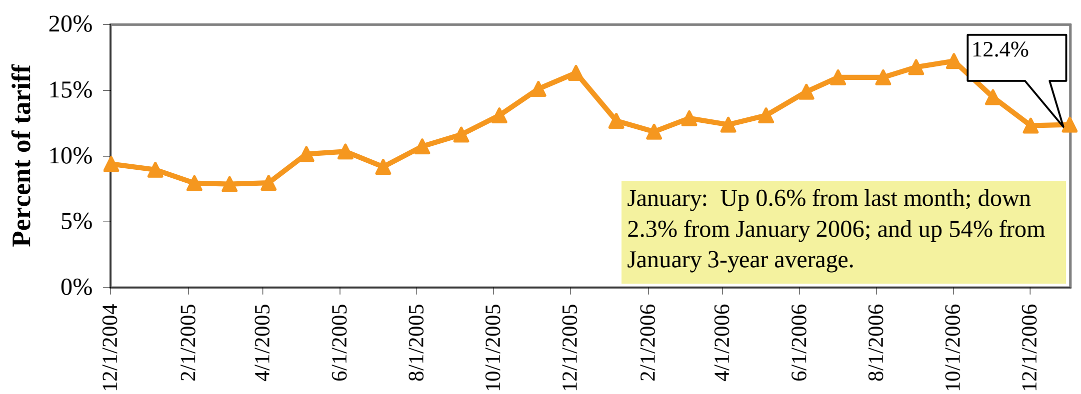
[3]Approximate load per car = 97.87 metric tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

[4]High-capacity rate not available, rate estimated using published low-capacity tariff rate x 1.08

Sources: www.bnsf.com, www.uprr.com

Figure 7

Railroad Fuel Surcharges, North American Weighted Average[1]



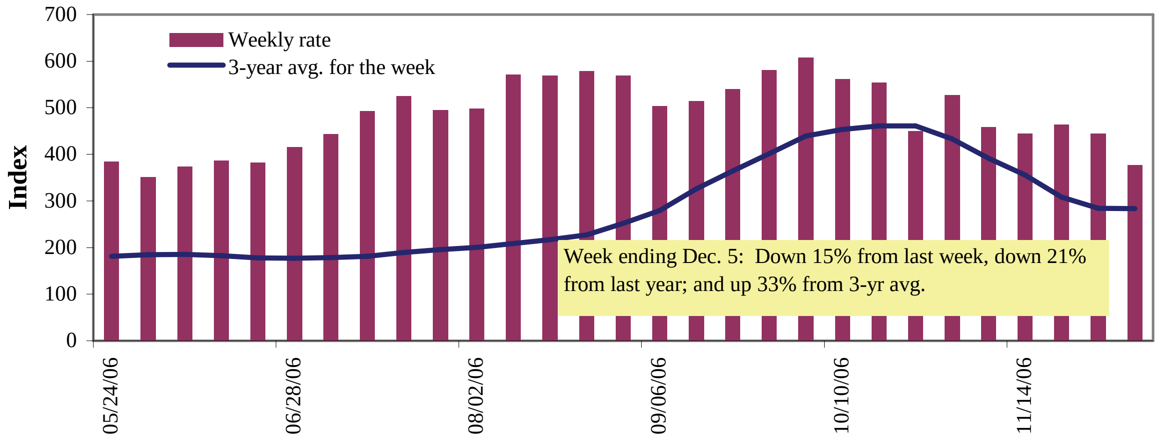
[1] Weighted by each Class I railroad's proportion of grain traffic for the prior year.

Sources: www.bnsf.com, www.cn.ca, www8.cpr.ca, www.csx.com, www.kcsi.com, www.nscorp.com, www.uprr.com

Barge Transportation

Figure 8

Illinois River Barge Rate Index - Quotes[1,2]



[1] Index = percent of tariff rate; [2]4-week moving average for the 3-year average

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

Weekly Barge Rate Quotes: Southbound Barge Freight

		Twin Cities	Mid-Mississippi	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Index[1]	12/5/2006	n/a	404	377	284	332	332	222
	11/28/2006	n/a	448	445	364	373	373	261
$/ton	12/5/2006	n/a	21.49	17.49	11.33	15.57	13.41	6.97
	11/28/2006	n/a	23.83	20.65	14.52	17.49	15.07	8.20
Current week % change from the same week:								
	Last year	n/a	n/a	-21	-26	-14	-14	-35
	3-year avg. [2]	n/a	48	33	22	34	34	6
Index	December	n/a	n/a	418	305	331	331	249
	February	n/a	n/a	367	315	329	329	265

[1]Index = percent of tariff, based on 1976 tariff benchmark rate; [2]4-week moving average.

Source: Transportation & Marketing Programs/AMS/USDA

Calculating barge rate per ton:
(Index * 1976 tariff benchmark rate per ton)/100

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 9).

Figure 9

Benchmark tariff rates

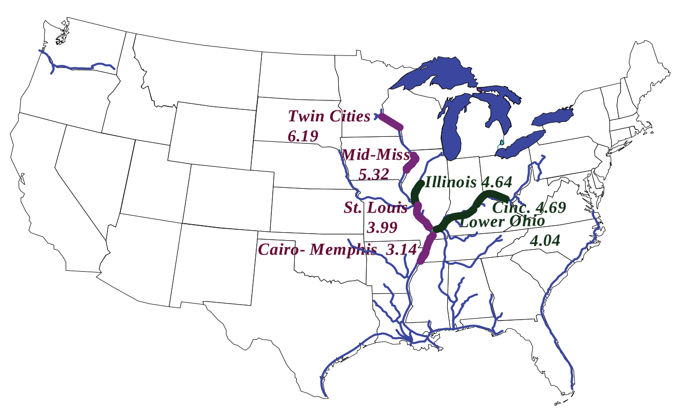
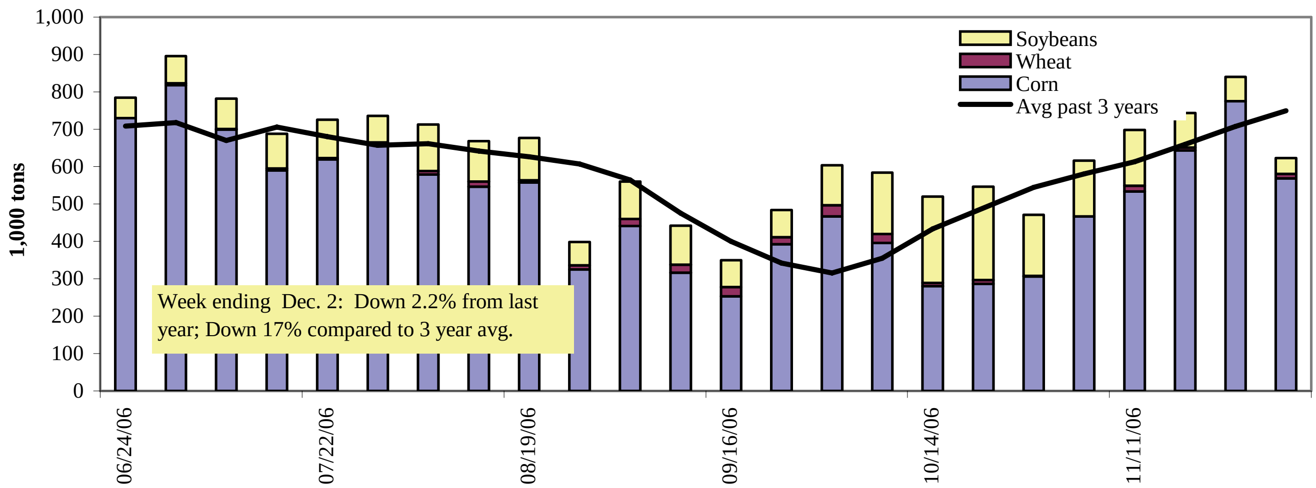


Figure 10

Barge Movements on the Mississippi River[1] (Locks 27 - Granite City, IL)



[1] The 3-year average is a 4-week moving average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 10

Barge Grain Movements (1,000 tons)

Week ending 12/2/2006	Corn	Wheat	Soybean	Other	Total
Mississippi River					
Rock Island, IL (L15)	184	0	34	0	218
Winfield, MO (L25)	362	9	40	38	449
Alton, IL (L26)	521	13	37	32	603
Granite City, IL (L27)	568	12	43	30	654
Illinois River (L8)	166	3	15	0	184
Ohio River (L52)	74	3	79	0	156
Arkansas River (L1)	0	10	13	3	26
Weekly total - 2006	642	25	135	33	835
Weekly total - 2005	619	23	151	11	804
2006 YTD[1]	25,099	1,377	6,695	670	33,841
2005 YTD	21,826	1,539	6,601	638	30,604
2006 as % of 2005 YTD	115	89	101	105	111
Last 4 weeks as % of 2005[2]	119	122	92	220	114
Total 2005	23,761	1,620	7,276	731	33,388

[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

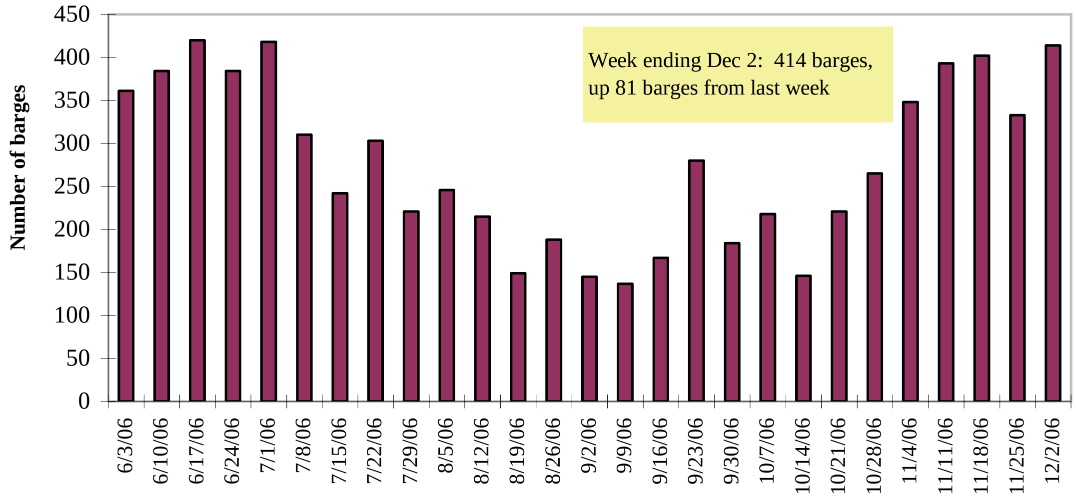
[2] As a percent of same period in 2005.

Note: Total may not add exactly, due to rounding

Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

Figure 11

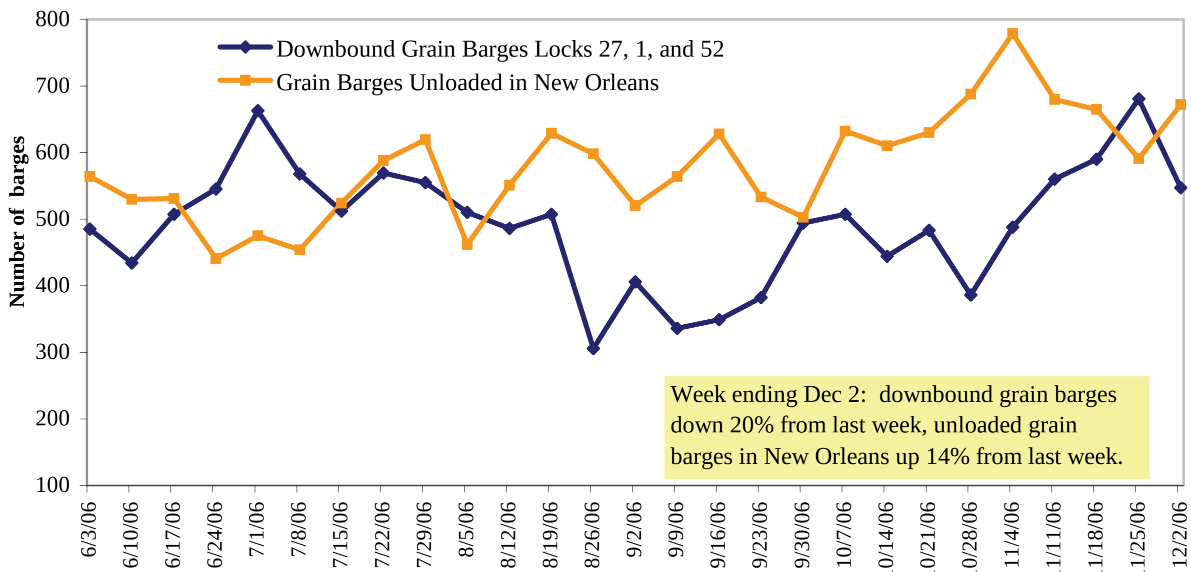
Upbound Empty Barges Transiting Mississippi River Lock 27



Source: Army Corps of Engineers

Figure 12

Grain Barges for Export in New Orleans Region



Source: Army Corps of Engineers and GIPSA

Truck Transportation

The **weekly diesel price** provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for truck grain movements, accounting for 37 percent of the estimated variable cost.

Table 11

Retail on-Highway Diesel Prices[1], Week Ending 12/04/06 (US$/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	2.610	0.073	0.182
	New England	2.716	0.082	0.125
	Central Atlantic	2.717	0.065	0.148
	Lower Atlantic	2.555	0.076	0.201
II	Midwest[1]	2.578	0.024	0.188
III	Gulf Coast[2]	2.537	0.047	0.126
IV	Rocky Mountain	2.707	0.027	0.236
V	West Coast	2.860	0.100	0.322
	California	2.860	0.150	0.374
Total	U.S.	2.618	0.051	0.193

[1]Diesel fuel prices include all taxes.

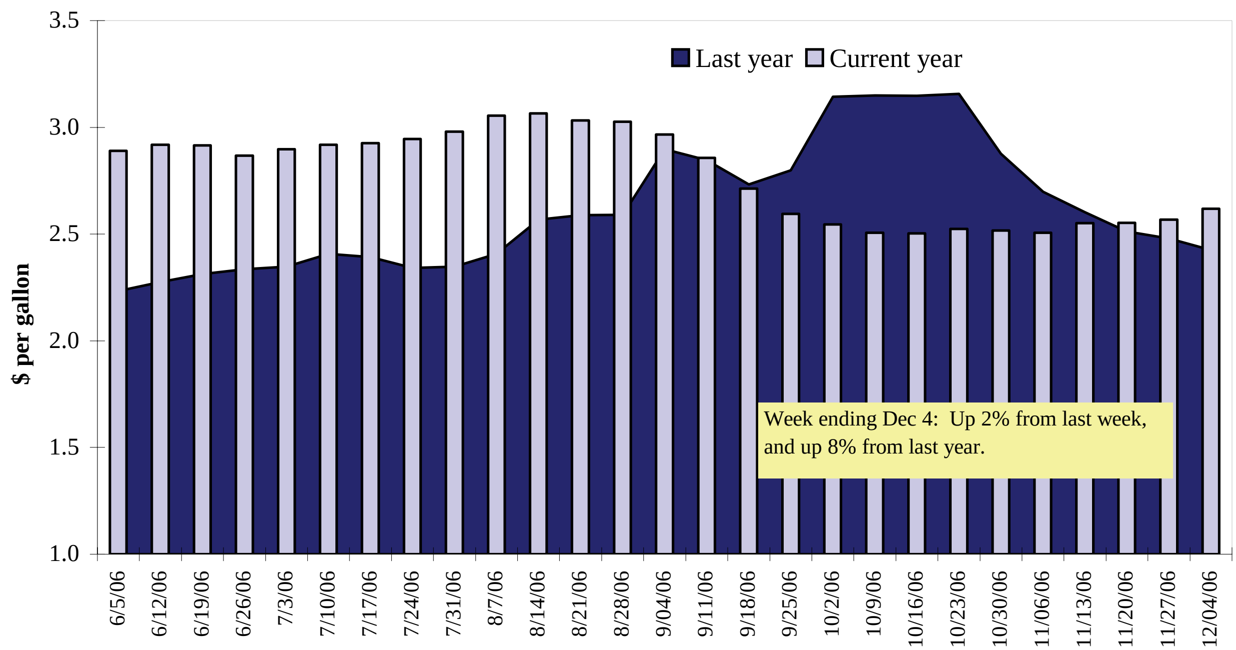
[2]Same as North Central

[3]Same as South Central

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



Source: Retail On-Highway Diesel Prices, Energy Information Administration, Dept. of Energy

Grain Exports

Table 12

U.S. Export Balances and Cumulative Exports (1,000 metric tons)

	Wheat						Corn	Soybeans	Total
Week ending[1]	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances									
11/23/2006	1,602	451	1,252	1,047	161	4,512	11,889	7,331	23,732
This week year ago	2,738	297	1,089	822	95	5,041	7,759	3,926	16,726
Cumulative exports-crop year [2]									
2006/07 YTD	2,615	1,849	3,171	2,264	447	10,345	13,284	8,912	32,541
2005/06 YTD	5,334	1,100	4,120	1,975	361	12,890	10,915	7,515	31,320
YTD 2006/07 as % of 2005/06	49	168	77	115	124	80	122	119	104
Last 4 wks as % of same period 2005/06	58	151	106	131	124	87	152	186	140
2005/06 Total	10,459	2,037	7,244	4,159	930	24,828	54,354	25,570	104,752
2004/05 Total	9,407	3,217	8,083	4,773	686	26,166	44,953	29,878	100,997

[1] Current unshipped export sales to date

[2] Shipped export sales to date, new crop year now in efect for wheat, corn, and soybeans

Note: YTD = year-to-date. Crop year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 13

Top 5 Importers[1] of U.S. Corn

Week ending 11/23/06	**Total Commitments[2]**		**% change**	**Exports[3]**
	2006/07	**2005/06**	**current CY**	
Crop Year (CY)	**Current CY**	**Last CY**	**from last CY**	**2005/06**
	- 1,000 mt -			- 1,000 mt -
Japan	7,389	6,032	22	16,474
Mexico	4,556	2,813	62	6,653
Korea	1,638	1,020	61	5,573
Taiwan	2,107	1,933	9	4,951
Egypt	1,194	1,510	(21)	4,298
Top 5 importers	**16,883**	**13,307**	**27**	**37,949**
Total US corn export sales	**25,173**	**18,675**	**35**	
Top 5 importers' share of U.S. corn export sales	67%	71%		
USDA forecast, Nov. 2006	**55,880**	**54,610**	**2**	
Corn Use for Ethanol USDA forecast, Nov 2006	**54,610**	**40,640**	**34**	

(n) indicates negative number.

[1]Based on FAS 20005/06 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Sep 1 - Aug 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped); FAS Weekly Export Sales Report.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 14

Top 5 Importers[1] of U.S. Soybeans

Week ending 11/23/06	Total Commitments[2]		% change	Exports[3]
	2006/07	2005/06	current CY	
Crop Year (CY)	Current CY	Last CY	from last CY	2005/06
	- 1,000 mt -			- 1,000 mt -
China [4]	6,816	4,533	50	9,706
Mexico	1,382	1,395	(1)	3,594
Japan	1,423	1,239	15	3,019
EU-25	1,505	717	110	2,123
Taiwan	879	644	36	1,850
Top 5 importers	**12,005**	**8,528**	**41**	**20,292**
Total US soybean export sales [4]	**16,244**	**11,441**	**42**	
Top 5 importers' share of U.S. soybean export sales	74%	75%		
USDA forecast, Nov. 2006	**31,160**	**25,800**	**21**	

(n) indicates negative number.

[1]Based on FAS 2004/05 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Sep 1 - Aug 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped).

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

[4] Not included - FAS Daily Export Sales Press Releases: Soybean Sales to China: 120,000 mt on 12/05; Soybean Sales to Unknown Destinations: 120,000 mt on 12/06.

Table 15

Top 10 Importers[1] of All U.S. Wheat

Week ending 11/23/06	Total Commitments[2]		% change	Exports[3]
	2006/07	2005/06	current CY	
Crop Year (CY)	Current CY	Last CY	from last CY	2005/06
	- 1,000 mt -			- 1,000 mt -
Nigeria	1,485	2,364	(37)	3,098
Japan	1,944	1,992	(2)	3,061
Mexico	1,351	1,633	(17)	2,625
Iraq	700	1,930	(64)	1,237
Philippines	1,381	1,101	25	1,878
Egypt	1,280	879	46	1,952
Korea, South	804	766	5	1,191
Venezuela	461	650	(29)	1,085
Taiwan	488	597	(18)	953
Italy	413	570	(27)	748
Top 10 importers	**10,307**	**12,482**	**(17)**	**17,827**
Total US wheat export sales	**14,857**	**17,931**	**(17)**	
Top 10 importers' share of U.S. wheat export sales	69%	70%		
USDA forecast, Nov. 2006	**25,180**	**27,460**	**(8)**	

(n) indicates negative number.

[1]Based on FAS 2005/06 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped); FAS Weekly Export Sales Report.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 16

Grain Inspections for Export by U.S. Port Region (1,000 metric tons)

Port regions	Week ending 11/30/06	2006 YTD[1]	2005 YTD[1]	2006 YTD as % of 2005 YTD	Last 4-weeks as % of 2005	Last 4-weeks as % of 3-yr. avg.	Total[1] 2005
Pacific Northwest							
Wheat	365	10,148	9,859	103	91	98	10,801
Corn	155	8,896	9,322	95	80	85	10,130
Soybeans	127	5,387	5,784	93	60	61	6,225
Total	**648**	**24,430**	**24,966**	**98**	**77**	**82**	**27,156**
Mississippi Gulf							
Wheat	25	3,909	4,398	89	126	94	4,643
Corn	643	33,063	25,871	128	115	100	28,202
Soybeans	572	14,209	13,461	106	101	82	14,793
Total	**1,239**	**51,181**	**43,730**	**117**	**109**	**92**	**47,638**
Texas Gulf							
Wheat	106	4,723	7,046	67	47	46	7,743
Corn	113	2,730	762	358	302	566	812
Soybeans	16	140	25	555	169	178	36
Total	**235**	**7,593**	**7,833**	**97**	**96**	**105**	**8,591**
Great Lakes							
Wheat	31	1,273	1,814	70	75	55	2,067
Corn	72	1,594	635	251	90	66	796
Soybeans	61	968	728	133	184	125	828
Total	**165**	**3,835**	**3,178**	**121**	**124**	**88**	**3,691**
Atlantic							
Wheat	18	642	301	213	318	292	301
Corn	0	651	198	330	105	253	249
Soybeans	32	459	763	60	57	94	801
Total	**50**	**1,752**	**1,262**	**139**	**77**	**94**	**1,352**
U.S. total from ports[2]							
Wheat	545	20,695	23,419	88	81	78	25,556
Corn	983	46,934	36,787	128	114	106	40,189
Soybeans	808	21,162	20,762	102	93	81	22,683
Total	**2,336**	**88,791**	**80,968**	**110**	**99**	**90**	**88,428**

[1] Includes weekly revisions

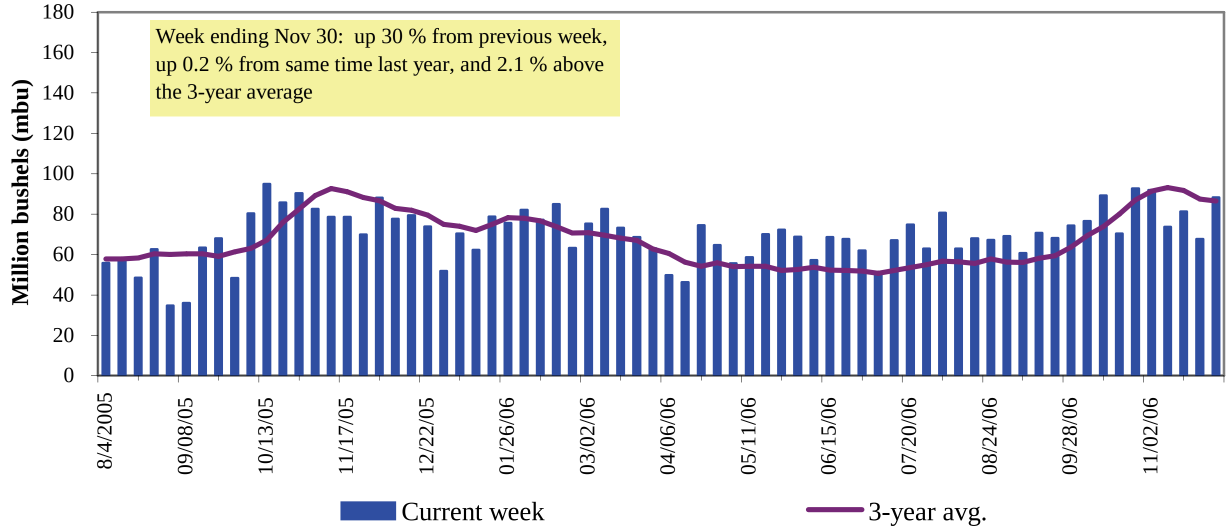
[2] Total includes only port regions shown above

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); YTD= year-to-date; n/a = not applicable

The United States exports approximately one-quarter of the grain it produces. On average, it includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 49 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2005.

Figure 14

U.S. grain inspected for export (wheat, corn, and soybeans)

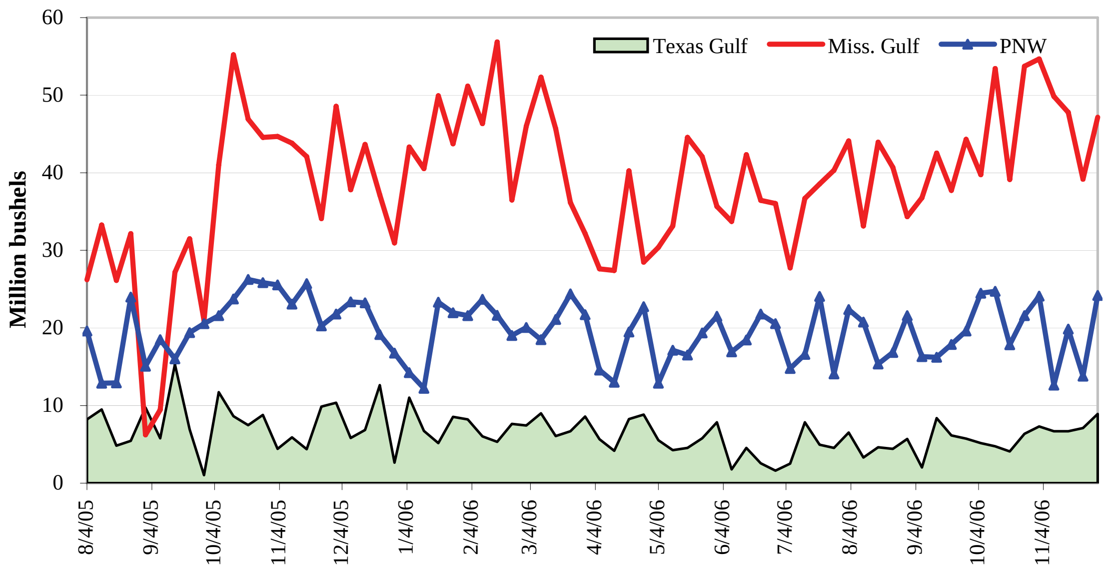


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

Note: 3-year average consists of 4-week running average

Figure 15

Weekly U.S. Grain Inspections: U.S. Gulf and PNW (wheat, corn, and soybeans)



Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

Nov 30, % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 20	up 26	up 21	up 80
Last year (same week)	down 3	down 14	down 5	up 11
3-yr avg. (4-wk run. avg)	down 6	up 27	down 2	up 12

Ocean Transportation

Table 17

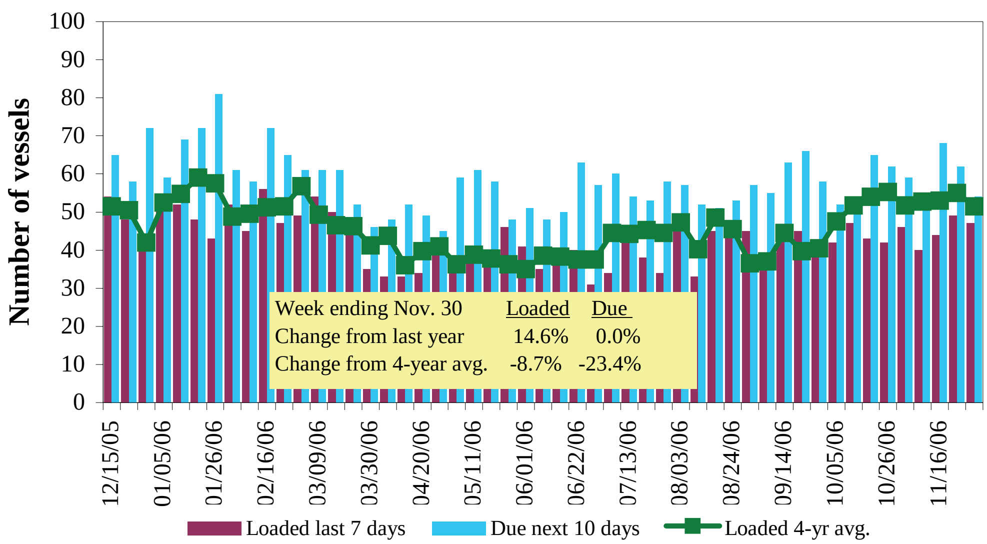
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
11/30/2006	31	47	54	7	8
11/23/2006	40	49	62	9	11
2005 range	(11..57)	(10..56)	(18..76)	(2..16)	(0..17)
2005 avg.	27	39	53	9	7

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

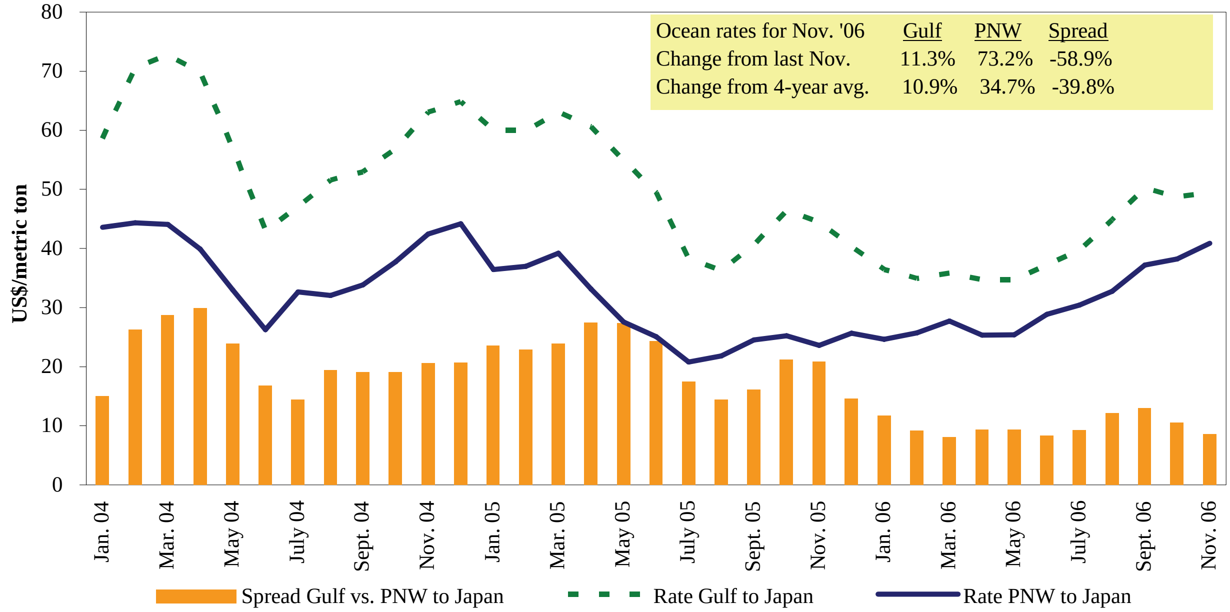
U.S. Gulf[1] Vessel Loading Activity, 2005/06



Source:Transportation & Marketing Programs/AMS/USDA

[1]U.S. Gulf includes Mississippi, Texas, and East Gulf.

Figure 17
Grain Vessel Rates, U.S. to Japan



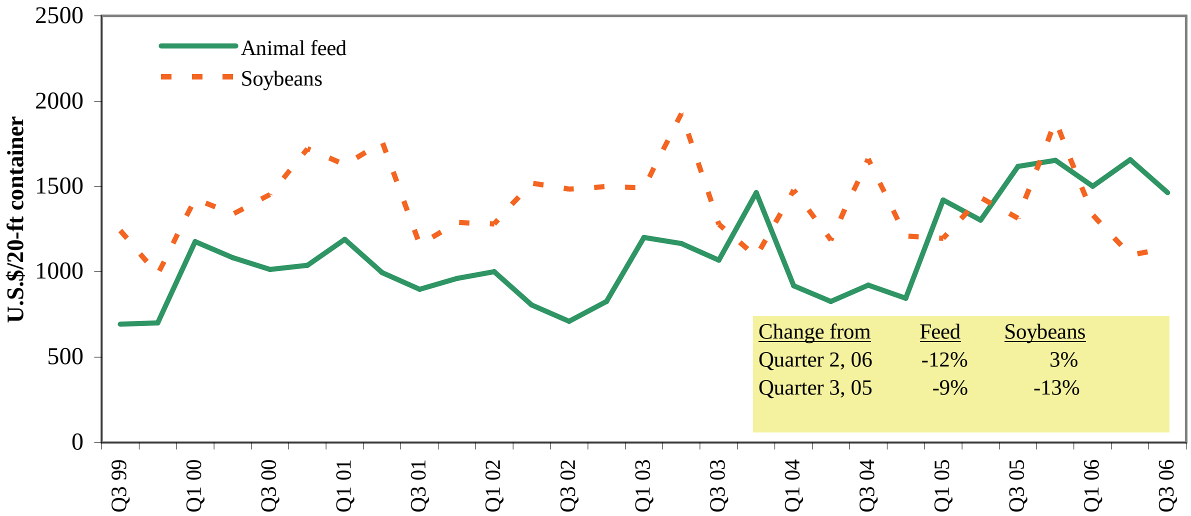
Source: Baltic Exchange (www.balticexchange.com)

Table 18
Ocean Freight Rates For Selected Shipments, Week Ending 12/2/06

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	Japan	Hvy Grain	Nov1/15	54,000	50.50
U.S. Gulf	Japan	Hvy Grain	Nov1/15	54,000	50.25
U.S. Gulf	Japan	Hvy Grain	Nov 4/11	54,000	49.50
U.S. Gulf	China	Hvy Grain	Nov 15/20	55,000	46.00
U.S. Gulf	China	Hvy Grain	Oct 15/20	55,000	49.00
U.S. Gulf	Egypt	Hvy Grain	Oct 10/20	60,000	33.50
U.S. Gulf	Sudan/Kenya[1]	Sorghum	Nov 6/16	46,530	92.40
U.S. Gulf	Algeria	Maize	Dec 1/2	25,000	35.25
St. Lawrence	Morroco	Hvy Grain	Nov 25/Dec 5	25,000	32.00
Romania	Portugal	Hvy Grain	Nov 20/30	20,000	25.00
Canada	China	Barley	Sept 15/25	50,000	39.75
France	India	Grain	Oct 15/30	60,000	26.00
River Plate	Algeria	Corn	Nov 2/7	30,000	46.50
River Plate	Algeria	Soybean Meal	Sept 29/30	25,000	52.00
River Plate	Algeria	Corn	Oct 10/18	25,000	47.00

Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option
[1]75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.
Source: Maritime Research Inc. (www.maritime-research.com)

Figure 18
Ocean Rates[1] for Containerized Shipments to Selected Asian Countries

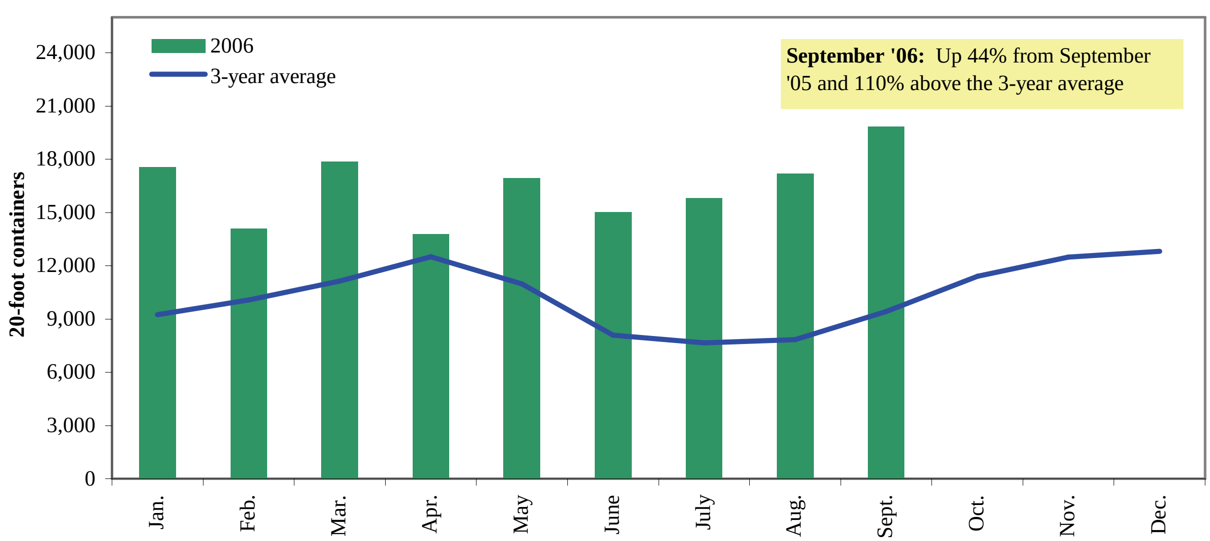


[1]Rates are weighted by shipping line market share and destination country.
Countries include: Animal Feed: Busan-Korea (9%), Kaohsiung-Taiwan (48%), Tokyo-Japan (19%), Hong Kong (13%), Bangkok-Thailand (10%) and soybeans: Busan-Korea (0%), Kaohsiung-Taiwan (98%), Tokyo-Japan (2%)
Source: Ocean Rate Bulletin, Quarter 3, 2006, Transportation & Marketing Programs/AMS/USDA

Container ocean freight rates – average rate per twenty-foot equivalent unit (TEU) weighted by shipping line market share and trade route.

During 2005, containers were used to transport 4 percent of total U.S. grain exported, and 5 percent of total U.S. grain exported to Asia.

Figure 19
Monthly Shipments of Containerized Grain to Asia



Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

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